

ASSEMBLY BILL

No. 63

Introduced by Assembly Member Mendoza

December 9, 2008

An act to add Section 1794.45 to the Civil Code, relating to service contracts.

LEGISLATIVE COUNSEL'S DIGEST

AB 63, as introduced, Mendoza. Service contracts: retailers.

Existing law authorizes the sale of service contracts obligating the service contractor to provide to the buyer of the product, without additional charge, all of the services and functional parts that may be necessary to maintain proper operation of the product and service for the duration of the contract, except as specified. Existing law imposes specified requirements on the terms of a service contract.

This bill would require a retailer that sells a service contract, during the period that the service contract is in effect, to (1) maintain contract information that includes a description of the terms and conditions of the service contract, and provide that information to the purchaser of the service contract or other beneficiary upon request, or (2) obtain a copy of the service contract upon request from the purchaser of the service contract or other beneficiary, and provide that copy to the requester within 10 business days after receiving the request. This requirement would not apply to a vehicle service contract, as defined.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 1794.45 is added to the Civil Code, to
2 read:
3 1794.45. (a) A retailer that sells a service contract pursuant to
4 Section 1794.4 shall do either of the following during the period
5 that the service contract is in effect:
6 (1) Maintain contract information that includes a description of
7 the terms and conditions of the service contract, and provide that
8 information to the purchaser of the service contract or other
9 beneficiary upon request.
10 (2) Upon request from the purchaser of the service contract or
11 other beneficiary, obtain a copy of the service contract, and provide
12 that copy to the requester within 10 business days after receiving
13 the request.
14 (b) This section shall not apply to a vehicle service contract, as
15 defined in subdivision (c) of Section 12800 of the Insurance Code.